

APPROVED

September 28, 2007

Michigan State
Administrative Board

Lansing, Michigan

September 11, 2007

A special meeting of the State Administrative Board was held in the Forum, 1st Floor, Michigan Library and Historical Center, on Tuesday, September 11, 2007, at 11:00 a.m.

Present: Kelly Keenan, Chief Legal Counsel, representing Jennifer M. Granholm, Governor, Chairperson
Walt Herzig, Chief of Staff, representing John Cherry, Lt. Governor
Patrick F. Isom, Assistant Attorney General, representing Michael A. Cox, Attorney General
Mary G. MacDowell, Director, Financial Services Bureau, representing Robert J. Kleine, State Treasurer
Joseph Pavona, Director, Bureau of Administrative Services, representing Terri Lynn Land, Secretary of State
Leon Hank, Chief Administrative Officer, representing Kirk T. Steudle, Director, Department of Transportation
Jean Shane, Special Assistant, representing Michael P. Flanagan, Superintendent of Public Instruction
Sherry Bond, Secretary

Others Present:

Iris Lopez, Michael Reilly, Department of Attorney General; Kristi Broessel, Department of Community Health; Diana Quintero, Department of Information Technology; James Burris, Elise Lancaster, Craig Orr, Janet Rouse, Mike Van Setters, Department of Management and Budget; Kris Squibb, Department of Natural Resources; Mike Blackledge, Rick Dolan, Betsy Steudle, Department of Transportation; Ron Boji, Boji Group

1. CALL TO ORDER:

Mr. Keenan called the meeting to order and led the Pledge of Allegiance to the Flag.

2. READING OF MINUTES OF PRECEDING MEETING AND APPROVAL THEREOF:

Mr. Pavona moved to approve the minutes of the regular meeting held on September 4, 2007. The motion was supported by Ms. Shane and unanimously adopted.

3. HEARING OF CITIZENS ON MATTERS FALLING UNDER JURISDICTION OF THE BOARD:

NONE

4. COMMUNICATIONS:

NONE

5. UNFINISHED BUSINESS:

NONE

6. NEW BUSINESS:

NONE

7. REPORTS AND RECOMMENDATIONS OF COMMITTEES:
(Please see the following pages)

APPROVED

September 11, 2007

Michigan State
Administrative Board

COMMITTEE REPORT TO THE STATE ADMINISTRATIVE BOARD

The Honorable Jennifer M. Granholm, Governor
and
Members of the State Administrative Board

A regular meeting of the **Finance and Claims** Committee was held at
10:30 a.m. on **September 11, 2007** Those present being:

Chairperson: Mary G. MacDowell, representing Approved _____
State Treasurer Kleine

Member: Iris Lopez, representing Approved _____
Attorney General Cox

Member: Kelly Keenan, representing Approved _____
Governor Granholm

Others: Kristi Broessel, Department of Community Health; Diana
Quintero, Department of Information Technology; Sherry Bond,
James Burris, Elise Lancaster, Craig Orr, Janet Rouse,
Department of Management and Budget; Kris Squibb, Department of
Natural Resources; Rick Dolan, Department of Transportation;
Walt Herzig, Lt. Governor's Office

The Finance and Claims Committee regular, supplemental, and second
supplemental agendas were presented.

Following discussion, Ms. Lopez moved that the regular, supplemental,
and second supplemental agendas be recommended to the State
Administrative Board for approval with Item 19(6) of the regular agenda,
the claim of Lucretia Wright, tabled and Items 12(5), 12(7), 12(13),
12(15), and 12(29) of the regular agenda contingent upon any filed
protests being resolved before the item can be executed. The motion was
supported by Mr. Keenan and unanimously adopted.

Ms. MacDowell adjourned the meeting.

A G E N D A

FINANCE AND CLAIMS COMMITTEE
September 11, 2007, 10:30 a.m.
Forum Room
1st Floor, Michigan Library
and Historical Center

SPECIAL STATE ADMINISTRATIVE BOARD
September 11, 2007, 11:00 a.m.
Forum Room
1st Floor, Michigan Library
and Historical Center

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This agenda is for general informational purposes only.
At its discretion the Finance and Claims Committee may revise
this agenda and may take up other issues at the meeting.

Approval of items on this agenda authorizing expenditures in the
fiscal year beginning on October 1, 2007 and ending on September 30, 2008
are contingent upon the enactment of appropriations for the fiscal year
beginning on October 1, 2007 and ending on September 30, 2008.

SECTION I. AGENCY CONTRACTS

1. **DEPARTMENT OF ATTORNEY GENERAL**

1) Blue Ridge Consulting
Greenville, SC

NOT TO EXCEED
\$ 69,753.00 Total
FY07-08 100% General Fund
Expert Witness services in the
matter of the application of
the Detroit Edison Company for
authority to increase its
rates, amend its rate
schedules and rules governing
the distribution and supply
of electric energy, and for
miscellaneous accounting
authority

2. DEPARTMENT OF COMMUNITY HEALTH

- 1) MI Coalition Against Domestic \$ 40,001.00 Amendment
And Sexual Violence \$ 95,000.00 New Total
Okemos, MI **FY07** 100% Federal Funds
Additional funds for one-year
grant to provide funding for
additional technical
assistance and training
activities to strengthen the
strategic planning process and
develop participants' capacity
to implement comprehensive
sexual violence prevention
planning
- 2) Area Agency on Aging 1B \$ 192,847.00 Amendment
Southfield, MI \$ 14,106,075.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year
grant to provide funding for
the MI Choice Home and
Community-based Services for
the Elderly and Disabled
Waiver Program
- 3) A&D Home Health Care Inc. \$ 427,922.00 Amendment
Saginaw, MI \$ 5,011,768.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year
grant to provide funding for
the MI Choice Home and
Community-based Services for
the Elderly and Disabled
Waiver Program

2. DEPARTMENT OF COMMUNITY HEALTH continued

- 4) Area Agency on Aging of
Western Michigan
Grand Rapids, MI \$ 80,695.00 Amendment
\$ 7,008,876.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year
grant to provide funding for
the MI Choice Home and
Community-based Services for
the Elderly and Disabled
Waiver Program
- 5) Burnham Brook Center
Battle Creek, MI \$ 144,148.00 Amendment
\$ 7,614,174.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year
grant to provide funding for
the MI Choice Home and
Community-based Services for
the Elderly and Disabled
Waiver Program
- 6) The Information Center, Inc.
Taylor, MI \$ 93,966.00 Amendment
\$ 2,655,260.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year
grant to provide funding for
the MI Choice Home and
Community-based Services for
the Elderly and Disabled
Waiver Program
- 7) MORC Home Care
Clinton Township, MI \$ 88,497.00 Amendment
\$ 4,003,072.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year
grant to provide funding for
the MI Choice Home and
Community-based Services for
the Elderly and Disabled
Waiver Program

2. DEPARTMENT OF COMMUNITY HEALTH continued

- 8) Northeast Michigan Community Services Agency
Alpena, MI \$ 206,041.00 Amendment
\$ 3,036,321.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year grant to provide funding for the MI Choice Home and Community-based Services for the Elderly and Disabled Waiver Program
- 9) Northern Michigan Regional Health System
Petoskey, MI \$ 49,523.00 Amendment
\$ 2,182,365.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year grant to provide funding for the MI Choice Home and Community-based Services for the Elderly and Disabled Waiver Program
- 10) Region 2 Area Agency on Aging
Onsted, MI \$ 167,231.00 Amendment
\$ 4,805,769.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year grant to provide funding for the MI Choice Home and Community-based Services for the Elderly and Disabled Waiver Program
- 11) The Senior Alliance, Inc.
Wayne, MI \$ 262,789.00 Amendment
\$ 2,911,669.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year grant to provide funding for the MI Choice Home and Community-based Services for the Elderly and Disabled Waiver Program

2. DEPARTMENT OF COMMUNITY HEALTH continued

- 12) Senior Resources
Muskegon, MI
- \$ 50,048.00 Amendment
\$ 5,960,826.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year
grant to provide funding for
the MI Choice Home and
Community-based Services for
the Elderly and Disabled
Waiver Program
- 13) Senior Services, Inc.
Kalamazoo, MI
- \$ 103,047.00 Amendment
\$ 2,956,687.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year
grant to provide funding for
the MI Choice Home and
Community-based Services for
the Elderly and Disabled
Waiver Program
- 14) UPCAP Services, Inc.
Escanaba, MI
- \$ 87,922.00 Amendment
\$ 7,056,906.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year
grant to provide funding for
the MI Choice Home and
Community-based Services for
the Elderly and Disabled
Waiver Program
- 15) Region IV Area Agency on
Aging
St. Joseph, MI
- \$ 29,499.00 Amendment
\$ 5,552,972.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year
grant to provide funding for
the MI Choice Home and
Community-based Services for
the Elderly and Disabled
Waiver Program

2. DEPARTMENT OF COMMUNITY HEALTH continued

- 16) Detroit Area Agency on Aging \$ 1,227,812.00 Amendment
Detroit, MI \$ 12,112,159.00 New Total
FY07 56.6% Federal Funds
43.4% State GF
Additional funds for one-year
grant to provide funding for
the MI Choice Home and
Community-based Services for
the Elderly and Disabled
Waiver Program
- 17) Tri-County Office on Aging \$ 174,599.00 Amendment
Lansing, MI \$ 7,958,561.00 New Total
FY07 56.59% Federal Funds
43.41% State GF
Additional funds for one-year
grant to provide funding for
the MI Choice Home and
Community-based Services for
the Elderly and Disabled
Waiver Program
- 18) Michigan Fitness Foundation \$ 30,640.00 Amendment
Lansing, MI \$ 3,081,836.00 New Total
FY07 23.71% State Restricted
6.04% Fees and Collections
69.87% Local 0.38% Other
Additional funds for a one-
year grant to provide funding
for assisting several Michigan
communities for development of
active community environments

3. DEPARTMENT OF CORRECTIONS

1) Wayne County	\$ 356,000.00	Amendment
Detroit, MI	\$ 3,505,445.00	New Total
	FY07	100% General Funds
	Local Comprehensive Corrections plans to reduce admissions to prison of non-violent offenders; improve utilization of jail and other community-based sanctions, and provide probation residential services	

4. DEPARTMENT OF ENVIRONMENTAL QUALITY

1) Council of Great Lakes	\$ 30,000.00	Total
Governors	FY07	100% State Restricted
Chicago, IL	Annual membership dues	
2) U.S. Environmental Protection	\$ 1,000,000.00	Amendment
Pittsburgh, PA	\$ 2,500,000.00	New Total
	FY07-11	100% Restricted
	To provide required assurances including a 10% cost share for Remedial Action at the Ott/Story/Cordova site of environmental contamination	

5. DEPARTMENT OF HUMAN SERVICES

1) Montcalm County Family	\$ 36,000.00	Amendment
Division Court	\$ 60,000.00	New Total
Stanton, MI	FY07-09	100% General Fund
	Additional monies for employment of additional attendants to provide holdover, home detention and transportation to juveniles	

6. DEPARTMENT OF NATURAL RESOURCES

- | | | |
|----|---|--|
| 1) | Schoolcraft County Snowmobile Association
Manistee, MI | \$ 52,105.00 Amendment
\$ 166,893.00 New Total
FY07 100% Restricted Funds
Grant amendment to Club for additional maintenance on State designated public snowmobile trails |
| 2) | Prentiss and Carlisle
Milwaukee, WI | NOT TO EXCEED
\$ 33,275.00 Total
FY07 100% Restricted Funds
Contract for analysis of Michigan's timber market and to benchmark wood harvesting and transportation costs against other domestic and international markets |

SECTION II. DMB CONTRACTS

Requests approval of the following:

NEW CONTRACTS

7. DEPARTMENT OF EDUCATION

- | | | |
|----|---|--|
| 1) | Central Michigan University
Mt. Pleasant, MI | \$ 99,999.15 (One-Time)
FY07 100% Federal Funds
313R7200569 Michigan Merit Curriculum Notebooks |
|----|---|--|

8. DEPARTMENT OF INFORMATION TECHNOLOGY

- | | | |
|----|--|--|
| 1) | Deloitte Consulting LLP
Chicago, IL | NOT TO EXCEED
\$ 14,950,000.00 (1 yr 9 mos)
FY07 100% General Funds
071I7200239 Implementation, Warranty, and Support Services for the SAP Software for the Department of Treasury |
|----|--|--|

8. DEPARTMENT OF INFORMATION TECHNOLOGY continued

- 2) Symbiosis \$ 520,000.00 (3 years)
Okemos, MI **FY07** 100% Restricted
071I7200231 Michigan Public
Service Commission Motor
Carrier Information System
- 3) Technology Partnership Group, NOT TO EXCEED
Indianapolis, IN \$ 395,895.00 (1 year)
FY07 100% Restricted Funds
071I200206 Loan and Bond
Management System for the
Department of Treasury, Bureau
of Bond Finance

Various RE:START Vendors

**Short-term Staff Augmentation
for information technology for
various departments**

- 4) FutureTek \$ 492,960.00 (3 years)
Novi, MI **FY07-10** 100% Restricted
071I7200296 For a Senior
Programmer/Analyst to assist
the Department of Information
Technology and the Department
of Transportation in their
Transportation Enterprise
Application server Migration
(TEAM) project
- 5) Unified Business \$ 205,920.00 (13 ½ mos)
Troy, MI **FY07** 100% Restricted
071I7200277 For a Technical
Architect to assist in the
design, development, test, and
implementation of a new
technology platform for the
Department of Treasury, Bureau
of State Lottery's back-office
production, quality assurance/
test, and development
environments

8. DEPARTMENT OF INFORMATION TECHNOLOGY continued

6)	VED Software Farmington Hills, MI	\$ 312,000.00 (3 years) FY07-10 100% Restricted 071I7200296 For a Programmer to assist the Department of Information Technology and the Department of Transportation in their Transportation Enterprise Application server Migration (TEAM) project
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9. DEPARTMENT OF NATURAL RESOURCES

1)	Brennan Industries, Inc. Sparta, WI	NOT TO EXCEED \$ 85,884.00 (One Time) FY07 100% Private donations 071I7200255 Archery Equipment Kits
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10. DEPARTMENT OF STATE POLICE

1)	SPEX Forensics Edison, NJ	\$ 54,930.00 (One-Time) FY07 100% Federal Funds 551R7200024/071I7200259 Six Mini Crime Scopes
2)	Thermo Electron North America LLC West Palm Beach, FL	\$ 314,021.00 (One-time) FY07 100% Restricted Funds 551R7200020 Four Gas Chromatographs/Mass Spectrometers for the Forensic Science Division, Drug Sub- Units

11. DEPARTMENT OF TRANSPORTATION

1)	AIS Equipment Lansing, MI	NOT TO EXCEED \$ 253,940.00 (One-Time) FY07 100% Restricted Funds 071I7200221 Two Heavy-duty Loaders
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12. DEPARTMENT OF TRANSPORTATION continued

- | | | |
|----|---|---|
| 2) | AIS Construction Equipment
Lansing, MI | NOT TO EXCEED
\$ 84,900.00 (One-Time)
FY07 100% Restricted
071I7200248 Tractor-Loader-
Backhoe |
| 3) | Aloha Equipment Co.
Grand Rapids, MI | NOT TO EXCEED
\$ 46,000.00 (One-Time)
FY07 100% Restricted
071I7200249 Side-mounted Boom
Mower with 50-inch Cutting
blade |
| 4) | AM-DYN-IC Fluid Power, Inc.
Chesterfield, MI | \$ 151,993.09 (One-Time)
FY07 100% Restricted Funds
591R7200069/071I7200228
Hydraulic Systems |
| 5) | Argus Group
Chesterfield, MI | NOT TO EXCEED
\$ 52,667.00 (One-Time)
FY07 100% Restricted
071I7200245 Fall Restraint
System |
| 6) | Beltsville Construction
Supply, Inc.
Beltsville, MD | \$ 35,748.00 (One-Time)
FY07 100% Restricted Funds
591R7200094/071I7200275
Two Concrete Saws, 42-inch
Capacity |
| 7) | Cannon Equipment
Shelby Twp, MI | NOT TO EXCEED
\$ 81,955.11 (One-Time)
FY07 100% Restricted
071I7200243 Aerial Tower with
Utility Body |
| 8) | Central Mine Equipment Co.
Earth City, MO | \$ 72,930.00 (One-Time)
FY07 100% Restricted Funds
591R7200064/071I7200263
One Auger, Core and Rotary-
type Boring Machine |

12. DEPARTMENT OF TRANSPORTATION continued

9)	Falcon RME Midland, MI	\$ 42,300.00 (One-Time) FY07 100% Restricted Funds 591R7200075/071I7200267 Three Trailer-mounted Asphalt Heaters
10)	Jack Doheny Supplies, Inc. Northville, MI	\$ 41,900.00 (One-Time) FY07 100% Restricted 591R7200089/071I7200274 Trailer-mounted Sewer Cleaner Water Jetter
11)	Kennametal, Inc Latrobe, PA	\$ 309,490.35 (One-Time) FY07 100% Restricted 591R7200065/071I7200232 Underbody Blades
	Truck & Trailer Specialties Dutton, MI	\$ 83,085.00 (One-Time) FY07 100% Restricted 591R7200065/071I7200232 Underbody Blades
	Valk Manufacturing Co New Kingston, PA	\$ 14,229.00 (One-Time) FY07 100% Restricted 591R7200065/071I7200232 Underbody Blades
12)	Knapheide Truck Equipment Flint, MI	\$ 31,840.29 (One-Time) FY07 100% Restricted 591R7200076/071I7200268 Three(3) Truck Utility Bodies
13)	Mat-3, Inc. Ixonia, WI	NOT TO EXCEED \$ 92,400.00 (One-Time) FY07 100% Restricted 071I7200241 Aerial Tower with Utility Body
14)	Mid-State Industrial Eaton Rapids, MI	NOT TO EXCEED \$ 48,596.80 (One-Time) FY07 100% Restricted 071I7200256 Forklift Trucks

12. DEPARTMENT OF TRANSPORTATION continued

15) Mid-State Industrial Eaton Rapids, MI	NOT TO EXCEED \$ 41,318.60 (One-Time) FY07 100% Restricted 071I7200253 Propane Fueled Forklift
16) Monroe Truck Equipment Flint, MI	\$ 49,353.00 (One-Time) FY07 100% Restricted 591R7200088/071I7200273 Stake Body with Scissors Lift
17) Truck & Trailer Specialties Boyne Falls, MI	\$ 71,724.00 (One-Time) FY07 100% Restricted 071I7200219 Forty-five-foot Aerial Tower
18) Truck & Trailer Specialties Dutton, MI	NOT TO EXCEED \$ 160,427.00 (One-Time) FY07 100% Restricted 071I7200222 Hopper Box Material Spreader with Cross Auger
19) Truck & Trailer Specialties Dutton, MI	NOT TO EXCEED \$ 174,829.00 (One-Time) FY07 100% Restricted 071I7200223 Dump Bodies
20) Truck & Trailer Specialties Dutton, MI	NOT TO EXCEED \$ 717,933.00 (One-Time) FY07 100% Restricted 071I7200227 Combination Dump and Spreader Bodies
21) Truck & Trailer Specialties Dutton, MI	\$ 61,698.00 (One-Time) FY07 100% Restricted 591R7200073/071I7200265 Six Trailer-mounted Flashing Arrows

12. DEPARTMENT OF TRANSPORTATION continued

22) Truck & Trailer Specialties Dutton, MI	\$ 48,048.00 (One-Time) FY07 100% Restricted 591R7200082/071I7200269 Twenty-four Fuel and Hydraulic Tanks
23) Truck & Trailer Specialties Dutton, MI	\$ 38,622.00 (One-Time) FY07 100% Restricted 591R7200083/071I7200270 Fifteen Pre-wet (De-icing) Systems
24) Truck & Trailer Specialties Dutton, MI	\$ 81,664.00 (One-Time) FY07 100% Restricted 591R7200084/071I7200271 Twenty-two Ground Speed Control Systems
25) Truck & Trailer Specialties Dutton, MI	\$ 83,502.00 (One-Time) FY07 100% Restricted 591R7200086/071I7200272 Eighteen Wing-type Snow Plows
26) Truck & Trailer Specialties Dutton, MI	\$ 43,770.00 (One-Time) FY07 100% Restricted 591R7200095/071I7200276 Six Power Reversing Full Trip Front-mount Snow Plows
27) Truck & Trailer Specialties Boyne Falls, MI	NOT TO EXCEED \$ 68,439.00 (One-Time) FY07 100% Restricted 071I7200244 Six Power Reversing Full Trip Front- mount Snow Plows
28) Truck & Trailer Specialties Boyne Falls, MI	NOT TO EXCEED \$ 75,416.00 (One-Time) FY07 100% Restricted 071I7200242 Tractor-Loader- Backhoe

12. DEPARTMENT OF TRANSPORTATION continued

29) Truck & Trailer Specialties Dutton, MI	NOT TO EXCEED \$ 28,460.00 (One-Time) FY07 100% Restricted 591R7200105 Covered Utility Bodies
30) Vermeer of Michigan, Inc. Jackson, MI	\$ 31,625.00 (One-Time) FY07 100% Restricted 591R7200058/071I7200258 Trailer-mounted Diesel-powered Stump Grinder
31) Vermeer of Michigan, Inc. Jackson, MI	NOT TO EXCEED \$ 47,989.00 (One-Time) FY07 100% Restricted 071I7200250 Trailer-mounted Brush Chipper

CONTRACT CHANGES

13. DEPARTMENT OF COMMUNITY HEALTH

1) Health Management Systems, Incorporated East Lansing, MI	\$ 1,700,000.00 Amendment \$ 8,708,532.00 New Total FY07-08 50% Federal 50% GF 071B4200405 Additional funds for a one-year option to the contract for Medicaid Third Party Liability Services
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14. DEPARTMENT OF INFORMATION TECHNOLOGY

1) EMC Corporation Hopkinton, MA	\$ 2,000,000.00 Amendment \$ 18,636,627.00 New Total FY07 100% Revolving Funds 071B1001619 Additional funds for a three-month extension of the contract for services at the Data Center Services Information Processing Center
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14. DEPARTMENT OF INFORMATION TECHNOLOGY continued

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|----|---|--|
| 2) | I Levy & Associates
St. Louis, MO | \$ 75,012.00 Amendment
\$ 414,846.50 New Total
FY07 96% Federal 4% GF
071B4200010 Additional funds
for the current contract for
enhancements to the Michigan
Disability Determination
Services System for the
Department of Human Services |
| 3) | Systems Technology Group,
Inc.
Troy, MI | \$ 192,000.00 Amendment
\$ 1,836,310.00 New Total
FY07 100% Restricted Funds
071B7200290 Additional funds
for the current contract
period and for a one-year
renewal option to the contract
for Retirement Web Self-
service for the Department of
Management and Budget, Office
of Retirement Services |
| 4) | Various
(Listing on file) | \$ 6,081,493.58 Amendment
\$734,913,766.12 New Total
FY07-08 Various Funding
Sources Critical Continuity
Maintenance Renewal-
Modification requested for
various IT contract
amendments, Purchase Orders
and extensions for software
and hardware maintenance
agreements |

15. DEPARTMENT OF LABOR AND ECONOMIC GROWTH

- | | | |
|----|--|---|
| 1) | Moore and Associates, Inc.
Southfield, MI | \$ 91,800.00 Amendment
\$ 295,800.00 New Total
FY07 100% Federal Funds
071B5200345 Customer
Satisfaction Survey of the
Workforce Investment Act |
|----|--|---|

16. DEPARTMENT OF MANAGEMENT AND BUDGET

1)	T & W Electronics	\$	184,334.00	Amendment
	Grand Rapids, MI	\$	1,400,327.00	New Total
		FY07	100% Federal Funds	
		071B3001103	Additional funds	
			for replacement of 2-Way	
			Radios for the Department of	
			Natural Resources Wildland	
			Firefighters from the	
			Statewide contract	

17. DEPARTMENT OF TRANSPORTATION

1)	Vaisala, Inc	\$	36,375.00	Amendment
	Louisville, Co	\$	692,031.00	New Total
		FY07	100% Restricted	
		071B6200248/071B3001301		
			AWOS Communication and	
			Maintenance	

SECTION III. RELEASE OF FUNDS TO WORK ORDER

SECTION IV. REVISION TO WORK ORDER

SECTION V. CLAIMS - PERSONAL PROPERTY LOSS

18. DEPARTMENT OF NATURAL RESOURCES

1)	<u>Michael Boekema</u>	\$230.00
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The claimant (07-SAB-99) requests \$230.00 reimbursement for damage to his trailer when a rock from a state operated lawn mower hit it. The Department recommends approval of this claim.

19. DEPARTMENT OF TRANSPORTATION

1)	<u>Roberta Knighton</u>	\$347.72
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The claimant (07-SAB-109) requests \$347.72 reimbursement for damage to her vehicle when a worker hit her car with a piece of concrete. The Department recommends approval of this claim.

19. DEPARTMENT OF TRANSPORTATION continued

- 2) Robert Meyers \$577.93

The claimant (07-SAB-085) requests \$577.93 reimbursement for damage to his vehicle after hitting a pothole. The Department recommends approval of this claim.

- 3) Allen Smith \$422.97

The claimant (07-SAB-078) requests \$422.97 reimbursement for damage to his vehicle after hitting a pothole. The Department recommends approval of this claim.

- 4) John Vickers \$903.84

The claimant (07-SAB-80) requests \$903.84 reimbursement for damage to his vehicle after hitting a pothole. The Department recommends denial of this claim because the loss was not caused by reason of negligence or an action attributable to the State.

- 5) Andrea Vires \$999.99

The claimant (07-SAB-077) requests \$999.99 reimbursement for damage to her vehicle after hitting a pothole. The Department recommends denial of this claim because the loss was not caused by reason of negligence or an action attributable to the State.

- 6) Lucretia Wright \$338.00

The claimant (07-SAB-090) requests \$338.00 reimbursement for damage to her vehicle when debris from a bridge hit her car. The Department recommends denial of this claim because the loss was caused by reason of negligence or an action attributable to the State.

SECTION VI. CLAIMS - PERSONAL INJURY LOSS

SECTION VII. APPROVAL OF SPECIAL ITEMS

20. DEPARTMENT OF CORRECTIONS

Requests permission to dispose of unclaimed and abandoned prisoner property without intrinsic value in accordance with PD-BCF-53.01, Section IV, Abandoned and Unclaimed Property from the following facilities:

Saginaw Correctional Facility, 8/30/2007

21. DEPARTMENT OF HUMAN SERVICES

The DHS appropriations bill requires that liens be placed on real property when State Emergency Relief (SER) is issued for mortgage payments, land contract payments, property taxes and home repairs. The lien is required when payments exceed \$250.00 on one or a combination of these services. Such payments were made for delinquent taxes, and the recipients have repaid the department in full. The Department is requesting permission from the Board to release the following lien:

\$1,250.00 at 322 Sparling Drive, Saginaw, MI

22. DEPARTMENT OF TREASURY

The Michigan Education Trust Board requests approval of the following Plan D contracts: 2008 University Full and Limited Benefits Plan Contract, 2008 Community College Plan Contract, 2008 University Full and Limited Benefits Monthly Purchase Plan Contract, and 2008 Community College Monthly Purchase Plan Contract. This request is made in accordance with P.A. 316 of 1986, Section 11. The MET Board of Directors approved these contracts on August 27, 2008 (Resolution 2007-11).

The Director of the Department of Management and Budget recommends approval by the State Administrative Board of the items contained in Section I and II of this agenda. Approval by the State Administrative Board of these award recommendations does not require or constitute the award of same. Award of contracts shall be made at the discretion of the DMB Director or designee.

S U P P L E M E N T A L
A G E N D A

FINANCE AND CLAIMS COMMITTEE

September 11, 2007, 10:30 a.m.

Forum

1st Floor, Michigan Library
and Historical Center

STATE ADMINISTRATIVE BOARD

September 18, 2007, 11:00 a.m.

Lake Superior Room

1st Floor, Michigan Library
and Historical Center

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This agenda is for general informational purposes only
At its discretion the Finance and Claims Committee may revise
this agenda and may take up other issues at the meeting

Approval of items on this agenda authorizing expenditures in the
fiscal year beginning on October 1, 2007 and ending on September 30, 2008
are contingent upon the enactment of appropriations for the fiscal year
beginning on October 1, 2007 and ending on September 30, 2008.

SECTION I. AGENCY CONTRACTS

Requests approval of the following:

1. **DEPARTMENT OF ATTORNEY GENERAL**

- 1) Douglas M. Baker
Dearborn, MI

NOT TO EXCEED
\$ 90,000.00 Total
100% General Funds
For a Special Assistant
Attorney General to provide
legal services and litigation
in complex criminal cases

- 2) Jennifer Faber
Grand Rapids, MI

NOT TO EXCEED
\$ 30,000.00 Total
FY08 66% Federal Funds
34% State General Funds
For a Special Assistant
Attorney General to provide
legal services relative to the
prosecution of felony non-
support cases

- 3) Michael J. King
Farmington Hills, MI

NOT TO EXCEED
\$ 90,000.00 Total
FY08 100% General Funds
For a Special Assistant
Attorney General to provide
legal services and litigation
in complex criminal case

This agenda will
go to ad board
on 9/18/2007

S E C O N D S U P P L E M E N T A L
A G E N D A

FINANCE AND CLAIMS COMMITTEE
September 11, 2007, 10:30 a.m.
Forum Room
1st Floor, Michigan Library
and Historical Center

SPECIAL STATE ADMINISTRATIVE BOARD
September 11, 2007, 11:00 a.m.
Forum Room
1st Floor, Michigan Library
and Historical Center

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This agenda is for general informational purposes only.

**At its discretion the Finance and Claims Committee may revise
this agenda and may take up other issues at the meeting.**

Approval of items on this agenda authorizing expenditures in the
fiscal year beginning on October 1, 2007 and ending on September 30, 2008
are contingent upon the enactment of appropriations for the fiscal year
beginning on October 1, 2007 and ending on September 30, 2008.

SECTION I. AGENCY CONTRACTS

Requests approval of the following:

1s. DEPARTMENT OF LABOR AND ECONOMIC GROWTH

1)	Southeast Michigan	\$	100,000.00	Total
	Community Alliance (SEMCA)	FY07	100% Private Funds	
	Wayne, MI		(Casey Family Programs)	
			Grantee will receive funding	
			to operate the Foster Youth	
			Demonstration Project (FYDP)	
			offering a variety of services	
			to foster youth who have aged	
			out of the foster care system	

SECTION II. DMB CONTRACTS

Requests approval of the following:

NEW CONTRACTS

2s. DEPARTMENT OF STATE

- | | |
|---|---|
| 1) Solutions Thru Software
Henderson, NV | NOT TO EXCEED
\$ 899,964.00 (3 years)
FY07-09 100% Federal Funds
071I7200288 Commercial Driver
License automated Test System |
|---|---|

SECTION III. RELEASE OF FUNDS TO WORK ORDER

SECTION IV. REVISION TO WORK ORDER

SECTION V. CLAIMS - PERSONAL PROPERTY LOSS

SECTION VI. CLAIMS - PERSONAL INJURY LOSS

SECTION VII. APPROVAL OF SPECIAL ITEMS

The Director of the Department of Management and Budget recommends approval by the State Administrative Board of the items contained in Section I and II of this agenda. Approval by the State Administrative Board of these award recommendations does not require or constitute the award of same. Award of contracts shall be made at the discretion of the DMB Director or designee.

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Ms. MacDowell presented the Finance and Claims Committee Report for the regular meeting of September 11, 2007. After review of the forgoing Finance and Claims Committee Report, Ms. MacDowell moved that the Finance and Claims Committee Report covering the regular meeting held September 11, 2007, be approved and adopted noting the Supplemental Finance and Claims agenda will go to the State Administrative Board on September 18, 2007. The motion was supported by Mr. Herzig and unanimously approved.

APPROVED

September 11, 2007

Michigan State
Administrative Board

COMMITTEE REPORT TO THE STATE ADMINISTRATIVE BOARD

The Honorable Jennifer M. Granholm, Governor
and
Members of the State Administrative Board

A regular meeting of the **Building** Committee was held at **10:50 a.m.**
on **September 11, 2007.** Those present being:

Chairperson: Mary G. MacDowell, representing Approved _____
State Treasurer Kleine

Member: Walt Herzig, representing Approved _____
Lt. Governor Cherry

Member: Kelly Keenan, representing Approved _____
Governor Granholm

Others: Pat Isom, Iris Lopez, Michael Reilly, Department of Attorney
General; Kristi Broessel, Department of Community Health; Diana
Quintero, Department of Information Technology; Sherry Bond,
James Burris, Elise Lancaster, Craig Orr, Janet Rouse, Mike Van
Setters, Department of Management and Budget; Kris Squibb,
Department of Natural Resources; Joe Pavona, Department of
State; Rick Dolan, Betsy Steudle, Department of Transportation;
Ron Boji, Boji Group

The Building Committee regular agenda was presented.

Following discussion, Mr. Keenan moved that the regular agenda be
recommended to the State Administrative Board for approval. Supported
by Mr. Herzig, the motion was unanimously adopted.

Ms. MacDowell adjourned the meeting.

A G E N D A

BUILDING COMMITTEE / SPECIAL STATE ADMINISTRATIVE BOARD

September 11, 2007

10:50 A.M. / 11:00 A.M. Forum Room 1st Floor
Michigan Library and Historical Center

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This agenda is for general informational purposes only. At its discretion, the Building Committee may revise this agenda and may take up other issues at the meeting.

Approval of items on this agenda authorizing expenditures in the fiscal year beginning on October 1, 2007 and ending on September 30, 2008 are contingent upon the enactment of appropriations for the fiscal year beginning on October 1, 2007 and ending on September 30, 2008.

AWARD OF CONSTRUCTION CONTRACTS

1. DEPARTMENT OF MANAGEMENT AND BUDGET, DIMONDALE – MDOT
Photo Lab – AHU Replacement and New Installation of AHU System Controls
File No. 071/06095.JRC – Index No. 53222
Low Responsive Bidder: HBC Contracting, Lansing; \$636,220.00

Purpose/Business Case

The purpose of this contract is for the replacement of the existing air handling units (AHU) and installation of system controls.

Benefit

The existing AHU's are past their useful life and need replacing.

Funding Source

100% State Building Authority Funds

Commitment

The contract is fixed based on competitive bids. The amount of this contract is within the original authorized project cost.

Risk Assessment

Failure to approve this contract risks AHU failure and the building would need to be shut down until they are replaced.

Zip Code

48821

2. DEPARTMENT OF MANGEMENT AND BUDGET, LANSING – Lottery Building –
Elevator Upgrades
File No. 071/06091.FAR – Index No. 53217
Low Responsive Bidder: Irish Construction Co., Inc., Howell; \$447,000.00

Purpose/Business Case

The purpose of this contract is to provide construction services in accordance with the plans and specifications provided by the PSC to upgrade the aging elevator controls and equipment to current codes and ADA compliance.

Benefit

The State will benefit from this contract by having competitively bid pricing based on professionally prepared plans and specifications. The aging elevators and controls will be brought up to current codes and ADA compliance thus assuring the safety of the building occupants.

Funding Source

100% State Building Authority Funds

Commitment

The contract cost is fixed based on competitive bids. The amount of this contract is within the original authorized project cost.

Risk Assessment

Failure to approve this contract would mean that the current elevator system would continue to break down. Additionally, the current equipment is not compliant with current codes and ADA.

Zip Code

48909

3. DEPARTMENT OF MANAGEMENT AND BUDGET, FLINT – Flint State Office
Building – Elevator Upgrades
File No. 071/05261.FAR – Index No. 53163
Low Responsive Bidder: Irish Construction Co., Inc., Howell; \$815,000.00

Purpose/Business Case

The purpose of this contract is to provide construction services in accordance with the plans and specifications provided by the PSC to upgrade the aging elevator controls and equipment to current codes and ADA compliance.

Benefit

The State will benefit from this contract by having competitively bid pricing based on professionally prepared plans and specifications. The aging elevators and controls will be brought up to current codes and ADA compliance thus assuring the safety of the building occupants.

Funding Source

100% State Building Authority Funds

Commitment

The contract cost is fixed based on competitive bids. The amount of this contract is within the original authorized project cost.

Risk Assessment

Failure to approve this contract would mean that the current elevator system would continue to break down. Additionally, the current equipment is not compliant with current codes and ADA.

Zip Code

48502

4. DEPARTMENT OF MANAGEMENT AND BUDGET, DIMONDALE – Energy Center – Replace 3 Economizers
File No. 071/06082.EEW – Index No. 53205
Low Responsive Bidder: Northern Boiler Mechanical Contractors, Muskegon; \$522,000.00

Purpose/Business Case

The purpose of this contract is to provide construction services to replace the Kentube Economizers on two 1974 Trane-Murray 60,000lbs/hr water tube boilers and the installation of a new economizer on a 30,000lbs/hr Trane-Murray water tube boiler located in the State Secondary Complex's Energy Center.

Business Case

The existing economizers, which are over 20 years in age, are leaking and need additional repair and maintenance work done to make them energy efficient. The pay back for installing new economizers is between 4-6 years. All new equipment will be Energy Star Compliant.

Funding Source

100% State Building Authority Funds

Commitment

The contract cost is fixed based on competitive bids. The amount of this contract is within the original authorized project cost.

Risk Assessment

As the cost of energy rises, the cost to operate and maintain the existing economizers in their present condition will have a negative impact on the agencies operating budget. Also, the agency will not benefit from the energy currently being lost in the smoke stack of the third boiler.

Zip Code

48821

5. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, GRAYLING – Camp Grayling Annual Training Site – Renovations to BOQ Building #120
File No. 511/06251.AGY – Index No. 11645
Low Responsive Bidder: Ripke Construction Company, St. Helen; \$726,728.00

Purpose/Business Case

The purpose of this contract is to create a fenced in compound at the Jones Lake base camp at Camp Grayling, in order to simulate a Forward Operating Base (FOB) as used in the theatre of operations during war times. This contract will complete the project.

Benefit

This fenced in area is for realistic training for the troops before deploying to Iraq and other war zones.

Funding Source

100% Federal Funds

Commitment

The contract cost is fixed based on competitive bids. The amount of this contract is within the original authorized project cost.

Risk Assessment

Failure to approve this contract results in improperly trained troops being deployed to the theatre of operations, and the loss of the federal funding.

Zip Code

49738

6. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, AUGUSTA – Fort Custer Training Center – Construct MP Storage Building #2790
File No. 511/07187.AGY – Index No. 21000
Low Responsive Bidder: Griffith Builders, Inc., Lakeview; \$419,000.00

Purpose/Business Case

The purpose of this contract is to provide needed training space and storage space at the site.

Benefit

To limit theft and increase life expectancy of machinery that is currently out in the elements.

Funding Source

100% Federal Funds

Commitment

The contract cost is fixed based on competitive bids. The amount of this contract is within the original authorized project cost.

Risk Assessment

Failure to approve this contract risks environmental machinery continuing to be outside in the elements causing damage, and the loss of the Federal funding.

Zip Code

49012

7. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, AUGUSTA – Fort Custer Training Center – Construct Range Tower - #3620
File No. 511/07204.AGY – Index No. 22000
Low Responsive Bidder: Carrier Construction Company, Inc., Hickory Corners; \$272,700.00

Purpose/Business Case

The purpose of this contract is to construct a new small arms range tower and two support structures used for weapons clearing/cleaning and munitions breakdown/issue. The existing range tower is not high enough to observe the entire small arms range area, which has been expanded over the years, creating a potential safety issue. In addition, the existing tower and support structures are old and in need of extensive maintenance and repair.

Benefit

These improvements will reduce maintenance costs, increase the safety for all range users and provide required observation abilities for range staff.

Funding Source

100% Federal Funds

Commitment

The contract cost is fixed based on competitive bids. The amount of this contract is within the original authorized project cost.

Risk Assessment

Failure to approve this contract will result in continued high maintenance costs, reduced safety for range users, and the loss of the Federal funding.

Zip Code

49012

8. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, IRON RIVER – Iron River Armory – Renovations
File No. 511/07219.EEW – Index No. 13907
Low Responsive Bidder: Gundlach Champion, Inc., Houghton; \$470,000.00

Purpose/Business Case

The purpose of this contract is to provide construction services for the renovation of the Iron River Armory. The work includes renovation of the kitchen, toilets, civilian and military parking areas, HVAC systems and construction of cold storage building to bring the facility into compliance with the latest DOD training and force protection standards.

Benefit

The State will benefit from this contract by having a professional construction contractor perform the work required to meet the latest US Department of Defense and State Building Code standards.

Funding

100% Federal Funds

Commitment

The contract cost is fixed based on competitive bids. The amount of this contract is within the original authorized project cost.

Risk Assessment

Failure to approve this contract will result in the loss of Federal funding which has been provided for critically needed improvements to this facility that is over 40 years in age.

Zip Code

49935

9. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, ISHPEMING – Ishpeming Armory - Renovations
File No. 511/07220.EEW - Index No. 11670
Low Responsive Bidder: Closner Construction & Sales, Inc., Marquette; \$821,650.00

Purpose/Business Case

The purpose of this contract is to provide construction services for the renovation of the Ishpeming Armory. The work includes renovation of the kitchen, locker rooms, toilets and HVAC systems to bring the facility into compliance with the latest DOD training and force protection standards.

Benefit

The State will benefit from this contract by having a professional construction contractor perform the work required to meet the latest US Department of Defense and State Building Code standards.

Funding

100% Federal Funds

Commitment

The contract cost is fixed based on competitive bids. The amount of this contract is within the original authorized project cost.

Risk Assessment

Failure to approve this contract will result in the loss of Federal funding which has been provided for critically needed improvements to this facility that is over 40 years in age.

Zip Code

49849

10. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, GLADSTONE –

Gladstone Armory – Renovations

File No. 511/07221.EEW – Index No. 11671

Low Responsive Bidder: Olsen & Olsen Building Contractors, Inc., Manistique;
\$629,887.00

Purpose/Business Case

The purpose of this contract is to provide construction services for the renovation of the Gladstone Armory. The work includes renovation of the kitchen, locker rooms, toilets and HVAC systems to bring the facility into compliance with the latest DOD training and force protection standards.

Benefit

The State will benefit from this contract by having a professional construction contractor perform the work required to meet the latest US Department of Defense and State Building Code standards.

Funding

100% Federal Funds

Commitment

The contract cost is fixed based on competitive bids. The amount of this contract is within the original authorized project cost.

Risk Assessment

Failure to approve this contract will result in the loss of Federal funding which has been provided for critically needed improvements to this facility that is over 40 years in age.

Zip Code

49837

11. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, WYOMING –

Wyoming Armory – Renovations

File No. 511/07163.CAK – Index No. 11663

Low Responsive Bidder: DVK Construction, Inc., Caledonia; \$776,200.00

Purpose/Business Case

The purpose of this contract is to provide construction services for renovations and an addition to the Wyoming Armory.

Benefit

The renovations will update this facility to meet the current DMVA standards and accommodate the present-day functions of the Department.

Funding Source

100% Federal Funds

Commitment

The contract cost is fixed based on competitive bids. The amount of this contract is within the original authorized project cost.

Risk Assessment

Failure to approve this contract will result in the loss of Federal funding for the construction and leave the DMVA with an outdated facility that does not meet the current needs of its users.

Zip Code

49509

12. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, ALMA – Alma
Armory – Renovations
File No. 511/07162.CAK – Index No. 11662
Low Responsive Bidder: Beckering Advisor, Inc., Grand Rapids; \$717,890.00

Purpose/Business Case

The purpose of this contract is to provide construction services for renovations and an addition to the Alma Armory.

Benefit

The renovations will update this facility to meet the current DMVA standards and accommodate the present-day functions of the Department.

Funding Source

100% Federal Funds

Commitment

The contract cost is fixed based on competitive bids. The amount of this contract is within the original authorized project cost.

Risk Assessment

Failure to approve this contract will result in the loss of Federal funding for the construction and leave the DMVA with an outdated facility that does not meet the current needs of its users.

Zip Code

48801

13. DEPARTMENT OF NATURAL RESOURCES, GRAND HAVEN – Grand Haven
State Park – Construct New Toilet/Shower Building
File No. 751/06317.JAN – Index No. 50900
Low Responsive Bidder: D & K Engineered Construction, Inc., Grand Rapids;
\$697,677.00

Purpose/Business Case

The purpose of this contract is to demolish the existing toilet/shower building and to construct a new 'green' prototype toilet/shower building in its place.

Benefit

The new facility will be LEED certifiable and improve the energy efficiency at the State Park.

Funding Source

100% Agency Funds

Commitment

The contract cost is fixed based on competitive bids. The amount of the contract is within the authorized total project cost.

Risk Assessment

Failure to replace the building would jeopardize the health of the occupants. The existing Grand Haven State Park toilet/shower building is over 55 years old and is showing signs of deterioration and mold, thus becoming a health hazard.

Zip Code

49417

14. DEPARTMENT OF ENVIRONMENTAL QUALITY, NILES – U.S. Aviex Site –
Soil Removal, Treatment System Abandonment and Watermain
Extension/Service Installation
File No. 761/07067.RRD – Index No. 44061
Low Responsive Bidder: Catskill Remedial Contracting Services, Inc., Otsego;
\$478,641.00

Purpose/Business Case

The purpose of this contract is to excavate and dispose of contaminated soil; abandon the existing groundwater extraction system and residential wells; and install water-main extension and service connections to provide municipal water to homes that are located in the area of contamination. The soil is listed as non-hazardous contaminated soil and the environmental regulations require that the soil be disposed of at a pre-approved, licensed landfill authorized to accept contaminated soils.

Benefit

Abate the environmental hazard and ensure that the affected residents have suitable drinking water.

Funding Source

100% Clean Michigan Initiative (CMI).

Commitment

The contract cost is fixed based on competitive bids. The amount of this contract is within the original authorized project cost.

Risk Assessment

Failure to approve this contract results in violating environmental regulations and jeopardizes the health of the area residents due to potential exposure.

Zip Code

49120

REVISIONS TO CONSTRUCTION CONTRACTS

15. DEPARTMENT OF MANAGEMENT AND BUDGET, SAGINAW – Saginaw State
Office Building – Humidifier and Chiller System
File No. 071/06102.MNB – Index No. 53229
Goyette Mechanical, Flint; CCO No. 1, Incr. \$167,089.17

Purpose/Business Case

The purpose of this change order is for modifications to the aging and non energy efficient heating and ventilation system.

Benefit

These changes will render a heating and cooling system that can be monitored to provide the most optimized service at the lowest cost possible.

Funding Source

100% State Building Authority Funds

Commitment

The change order costs are fixed actual costs provided by the construction contractor in response to a bulletin provided by the PSC. The amount of this change order is within the original authorized project cost.

Risk Assessment

Failure to approve this change order results in the heating and cooling system operating inefficiently which in turn is not cost effective.

Zip Code

16. DEPARTMENT OF ENVIRONMENTAL QUALITY, SCHOOLCRAFT –
Schoolcraft Area Organics – Plum G-Groundwater Remediation Operation &
Maintenance Services
File No. 761/98098.AGY – Index No. 47918
LANEX, Three Rivers; CCO No. 9, Incr. \$84,109.00

Purpose/Business Case

The purpose of this contract change order is to continue operating the groundwater treatment system for a period of one year. This site is contaminated and requires more cleanup activities. It's anticipated that the treatment system will continue to operate until the groundwater meets cleanup standards.

Benefit

Protect the environment by removing and treating contaminated groundwater.

Funding Source

100% Environmental Protection Fund

Commitment

This contract change order is for continuous operation and maintenance activities of the remediation system. The change order cost is fixed actual cost provided by the construction contractor in response to bulletin provided by the PSC. The amount of this change order is within the original authorized budget cost.

Risk Assessment

Failure to approve this change order results in operation and monitoring of the treatment system at the site not being performed and the designed abatement system will not control the migration of contaminated water to the surrounding properties. Also, if this change order is not approved, it may risk violating the environmental regulations

Zip Code

49087

RECOMMENDATION FOR PURCHASE OF PROPERTY**17. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, MAPLE FOREST TOWNSHIP, GRAYLING - HEATHER SMITH PROPERTY**

Under Authority of PA 307 of 1992 the Department of Military and Veterans Affairs is in the process of acquiring the Heather Smith property commonly known as 1915 Mastej, Grayling, Michigan. Negotiations have been completed with the owner and an option to purchase was signed to buy the Property for \$75,000.00. The Property was appraised by Northern Michigan Real Estate on January 11, 2007 for \$75,000.00. The Property situated in the Township of Maple Forest, County of Crawford, State of Michigan, is described as follows:

The East ½ of the Southwest ¼ of the Southwest ¼ of the Northwest ¼ of Section 26, Town 28 North, Range 3 West, Maple Forest Township, Crawford County, Michigan and being more particularly described as:

A parcel of land in the Northwest ¼ of Section 26, T28N, R3W, Maple Forest Township, Crawford County, Michigan; Commencing at the West ¼ corner of said section 26; thence N01°03'00"W 656.51 feet on the West line of said section 26; thence S89°58'43"E 330.25 feet to the point of beginning of this description; thence S89°58'43"E 330.25 feet; thence S01°02'47"E 657.58 feet to the E-W ¼ line of said section 26; thence N89°53'06"W 330.25 feet, on said E-W ¼ line; thence N01°02'54"W 657.04 feet, to the point of beginning.

RECOMMENDATION: That the State of Michigan, Department of Military and Veterans Affairs, purchase this property located in Crawford County, Maple Forest Township, Michigan, described above for the price of \$75,000.00 to Heather Smith, 1915 Mastej, Grayling, Michigan 49735.

Further, that the property will be acquired from funds approved in 2005 Public Act 297-100% State Armory Construction Fund

RENEWAL OF LEASE FOR PRIVATE PROPERTY

18. DEPARTMENT OF HUMAN SERVICES, MARQUETTE - Renewal of Lease #2395 effective September 1, 2007, through August 31, 2012, with Marquette County, a Municipal Corporation, 234 West Baraga, Marquette, Michigan 49855, as Lessor, and the State of Michigan for the Department of Human Services as Lessee, for 10,425 square feet of office space located at 234 West Baraga, Marquette, Michigan 49855. The annual per square foot rental rate for this space is \$15.75 (\$13,682.81 per month) with minimal annual increases. This is a full service Lease. This Lease contains a Standard cancellation clause with 90-days notice. The Attorney General has conditionally approved this Lease as to legal form.

Purpose/Business Case

This space is utilized by the Department of Human Services and it continues to meet its program needs. The Lessor is a governmental unit.

Benefit

Renewal of this Lease allows the Department to reduce its square footage without incurring relocation costs and remain at an established location. They have occupied this space since May 1977. Rental rate remains within the market. This renewal Lease supersedes and cancels a Lease approved by the State Administrative Board on July 7, 1992, Item #29, which will provide a savings of \$35,576 due to reducing the square footage.

Funding Source

55% General Fund; 45% Federal Funds

Commitment Level

Five years; however, this Lease contains a Standard cancellation clause with 90-days notice.

Risk Assessment

Non-approval of this Lease will hinder the Department from continuing to provide uninterrupted service and could possibly bring about increased costs if they are forced to relocate.

Zip Code

49855

19. DEPARTMENT OF HUMAN SERVICES, EAST TAWAS - Renewal of Lease #2364 effective October 1, 2007, through September 30, 2017, with JJS Wolf Realty LLC, a Limited Liability Company, 4335 Elmonte Street, Saginaw, Michigan 48638, as Lessor, and the State of Michigan for the Department of Human Services, as Lessee, for 10,160 square feet of office space located at 2145 Huron Road, East Tawas, Michigan 48763. The annual per square foot rental rate for this space is \$11.99 (\$10,150.00 per month). This rate does not include utility charges, janitorial, replacement of tubes and bulbs, snow removal, trash removal, and pest control. This Lease contains two five-year renewal options with an annual per square foot rental rate of \$12.58 (\$10,650.00 per month), and \$13.17 (\$11,150.00) per month respectively. This Lease contains a

Standard cancellation clause requiring 90-days notice. The Attorney General has approved this Lease as to legal form.

Purpose/Business Case

This space is utilized by the Department of Human Services and continues to meet its operational needs. The previous Lease did not contain additional renewal options.

Benefit

Renewal of this Lease allows the Department to remain at the current location and avoid relocation costs. The rental rate is within the current market rate.

Funding Source

55% General Fund; 45% Federal Funds

Commitment Level

Ten years with two five-year renewal options; however, this Lease contains a Standard cancellation clause with 90-days notice.

Risk Assessment

Non-approval of this Lease will hinder the Department from continuing to provide uninterrupted service and could possibly bring about increased costs if forced to relocate.

Zip Code

48763

20. DEPARTMENT OF CORRECTIONS, BENTON HARBOR - Renewal of Lease #7621 effective July 1, 2007, through June 30, 2009, with Harbor Ridge Limited Partnership, a Limited Partnership, 6979 West 72nd Street, Fremont, MI 49412, as Lessor, and the State of Michigan for the Department of Corrections, as Lessee, for 5,500 square feet of office space located at 497 Waukonda Avenue, Benton Harbor, MI 49022. The annual per square foot rental rate for this space is \$20.31 (\$9,308.75 per month). This rate does not include janitorial. This Lease contains a Standard cancellation clause with 30-days notice. The Attorney General has approved this Lease as to legal form.

Purpose/Business Case

The space is utilized by the Department of Corrections and continues to meet their needs. The previous lease did not contain additional renewal options.

Benefit

Renewal of this Lease allows the Department to remain at the current location and avoid relocation costs. The rental rate is within the current market rate for comparable space.

Funding Source

100% Federal funds

Commitment Level

Two years; however, this Lease contains a Standard cancellation clause with 30-days notice.

Risk Assessment

Non-approval of this Lease will hinder the Department from continuing to provide uninterrupted service and could possibly bring about increased costs if they are required to relocate.

Zip Code

49022

21.DEPARTMENT OF HUMAN SERVICES, DETROIT - Renewal of Lease #6557 effective February 1, 2009, through January 31, 2011, with McNichols-Goddard Associates, LLC, a Limited Liability Company, 6020 West Maple Road, Suite 503, West Bloomfield, Michigan 48322, as Lessor, and the State of Michigan for the Department of Human Services, as Lessee, for 21,000 square feet of office space located at 2400 E. McNichols, Detroit, Michigan 48203. The annual per square foot rental rate for this space is \$10.00 (\$17,500.00 per month). This rate does not include utilities, janitorial services, tubes and bulbs, landscaping, snow removal or trash removal. This Lease contains an Executive cancellation clause with 90-days notice. The Attorney General has approved this Lease as to legal form.

Purpose/Business Case

This lease extension will extend the current location for two years to allow time for the State to secure a space and agreement appropriate to the agency's needs.

Benefit

The extension of this Lease allows the agency to continue uninterrupted customer service at their current location.

Funding Source

43% General Fund: 57% Federal Funds

Commitment Level

Current through January 31, 2011; however, this Lease contains an Executive cancellation clause which means the Lease can be cancelled if an Executive determination is made either that the purpose for which the Lease was entered into no longer exists, or that sufficient funds do not exist for meeting the rental obligations of the occupying State agency or department or if space is provided in state government owned or managed facilities with 90-days notice.

Risk Assessment

Non-approval of this Lease will hinder the Department from avoiding a tenant at will situation and possible eviction while the relocation process proceeds in securing new lease space.

Zip Code

48203

22.DEPARTMENT OF HUMAN SERVICES, STERLING HEIGHTS - Renewal of Lease #6766 effective July 1, 2008, through June 30, 2010, with DSH Properties, LLC, a Limited Liability Company, 6020 West Maple Road, Suite 503, West Bloomfield, Michigan 48322, as Lessor, and the State of Michigan for the Department of Human Services, as Lessee, for 21,996 square feet of office

space located at 44600 Delco Boulevard, Sterling Heights, Michigan 48313. The annual per square foot rental rate for this space is \$10.00 (\$18,330.00 per month). This rate does not include utilities, landscaping, janitorial services, tubes and bulbs, snow removal or trash removal. This Lease contains an Executive cancellation clause with 90-days notice. The Attorney General has approved this Lease as to legal form.

Purpose/Business Case

This lease extension will extend the current location for two years to allow time for the State to secure a space and agreement appropriate to the agency's needs.

Benefit

The extension of this Lease allows the agency to continue uninterrupted customer service at their current location.

Funding Source

43% General Fund: 57% Federal Funds

Commitment Level

Current through June 30, 2010; however, this Lease contains an Executive cancellation clause which means the Lease can be cancelled if an Executive determination is made either that the purpose for which the Lease was entered into no longer exists, or that sufficient funds do not exist for meeting the rental obligations of the occupying State agency or department or if space is provided in state government owned or managed facilities with 90-days notice.

Risk Assessment

Non-approval of this Lease will hinder the Department from avoiding a tenant at will situation and possible eviction while the relocation process proceeds in securing new lease space.

Zip Code

48313

NEW LEASE FOR PRIVATE PROPERTY

23. DEPARTMENT OF LABOR AND ECONOMIC GROWTH, MONROE - New Lease #11184-2005 effective December 1, 2007, through November 30, 2017, with Charlevoix Sunset, LLC, a Limited Liability Company, Post Office Box 177, Sylvania, Ohio 43560, as Lessor, and the State of Michigan for the Department of Labor and Economic Growth, as Lessee, for 4,590 square feet of office space located at 903 South Telegraph Road, Monroe, Michigan 48161. The annual per square foot rental rate for this space is \$21.00 (\$8,032.50 per month). This is a full service Lease. This Lease contains one five-year renewal option with an annual per square foot rental rate of \$24.00 (\$9,180.00 per month). This Lease contains a Standard cancellation clause with 90-days notice. The Attorney General has approved this Lease as to legal form.

Purpose/Business Case

This Lease represents an opportunity to meet the Governor's initiative to co-locate DLEG and DHS into the central business district of Monroe Charter Township. This site was the only bid to provide space for the State relocation of both departments into one location.

Benefit

Currently, both departments are located in buildings that have deteriorated and have deferred maintenance issues. The health and safety of employees and customers will be greatly improved with this co-location. This full service lease rate is lower than like kind comparable buildings in this sub-market.

Funding Source

55% General Fund/45% Federal Funds

Commitment Level

Ten years with one five-year option; however, this Lease contains a Standard cancellation clause with 90-days notice.

Risk Assessment

Non-approval of this Lease will hinder the departments from relocating and collocating to a central location in accordance with Executive Directive 2003-22.

Zip Code

48161

24.DEPARTMENT OF HUMAN SERVICES, MONROE - New Lease #11318-2006 effective December 1, 2007, through November 30, 2017, with Charlevoix Sunset, LLC, a Limited Liability Company, Post Office Box 177, Sylvania, Ohio 43560, as Lessor, and the State of Michigan for the Department of Human Services, as Lessee, for 24,635 square feet of office space located at 903 South Telegraph Road, Monroe, Michigan 48161. The annual per square foot rental rate for this space is \$21.00 (\$43,111.25 per month). This is a full service Lease. This Lease contains one five-year renewal option with an annual per square foot rental rate of \$24.00 (\$49,270.00 per month). This Lease contains a Standard cancellation clause with 90-days notice. The Attorney General has approved this Lease as to legal form.

Purpose/Business Case

This Lease represents an opportunity to meet the Governor's initiative to co-locate DLEG and DHS into the central business district of Monroe Charter Township. This site was the only bid to provide space for the State relocation of both departments into one location.

Benefit

Currently, both departments are located in buildings that have deteriorated and have deferred maintenance issues. The health and safety of employees and customers will be greatly improved with this co-location. This full service lease rate is lower than like kind comparable buildings in this sub-market

Funding Source

55% General Fund/45% Federal Funds

Commitment Level

Ten years with one five-year option; however, this Lease contains a Standard cancellation clause with 90-days notice.

Risk Assessment

Non-approval of this Lease will hinder the departments from relocating and collocating to a central location in accordance with Executive Directive 2003-22.

Zip Code

48161

25. DEPARTMENT OF HUMAN SERVICES, HAMTRAMCK - New Lease #11337-2007 effective February 21, 2008, through February 20, 2010, with Denton Associates, L.L.C., a Limited Liability Company, 6020 West Maple Road, Suite 503, West Bloomfield, Michigan 48322, as Lessor, and the State of Michigan for the Department of Human Services, as Lessee, for 24,000 square feet of office space located at 2400-2440 Denton, Hamtramck, Michigan 48212. The annual per square foot rental rate for this space is \$10.83 (\$21,666.67 per month). This rate does not include utilities, landscaping, janitorial services, replacement of tubes & bulbs, snow removal, or trash removal. This Lease contains an Executive cancellation clause with 90-days notice. The Attorney General has approved this Lease as to legal form.

Purpose/Business Case

This lease consolidates two current leases, #6129 (21,000sf) and #6217 (3,000sf), into one lease at the current location. This lease extension will extend the current location for two years to allow time for the State to secure a space agreement appropriate to the agency's needs.

Benefit

The extension of this Lease allows the agency to continue uninterrupted customer service at their current location.

Funding Source

43% General Fund; 57% Federal Funds

Commitment Level

Current through February 2010; however, this Lease contains an Executive cancellation clause which means the Lease can be cancelled if an Executive determination is made either that the purpose for which the Lease was entered into no longer exists, or that sufficient funds do not exist for meeting the rental obligations of the occupying State agency or department or if space is provided in state government owned or managed facilities with 90-days notice.

Risk Assessment

Non-approval of this Lease will hinder the Department from avoiding a tenant at will situation and possible eviction while the relocation process proceeds in securing new lease space.

Zip Code

48212

ADDENDUM TO LEASE FOR PRIVATE PROPERTY

26. DEPARTMENT OF COMMUNITY HEALTH, LANSING - Addendum #3 to Lease #11072 approved by the State Administrative Board on December 1, 2004, Supplemental Item #39, between Paul Gentilozzi, a Married Man, as Lessor, whose address is Gentilozzi Real Estate, Inc., 201 North Washington Street, Lansing, MI 48913, and the State of Michigan for the Department of Community Health, as Lessee, for 51,750 square feet of space located at 100 South Washington Square (also known as 109 West Michigan Avenue), Lansing, Michigan. This Addendum provides for additional leased space. The current annual per square foot rental rate is \$16.20 (\$62,876.25 per month). Effective November 1, 2007 through November 30, 2007, the annual per square foot rental rate for this space is \$16.52 (\$64,118.25 per month). Effective December 1, 2007, through October 31, 2012, the annual per square foot rental rate for this space is \$17.16 (\$74,002.50 per month). This lease includes mid-term rental rate increases of approximately 10% every five years through October 31, 2026 ending at \$22.56 per square foot (\$97,290.00 per month). This Addendum becomes effective upon the last State approval and continues to the termination date of the lease, or any extension. This Lease contains an Executive cancellation clause requiring 90-days notice. The Attorney General has approved this lease as to legal form; this lease meets the criteria requiring approval of the Joint Capital Outlay Subcommittee of the Legislature. The Subcommittee approved this Lease on November 9, 2004.

Purpose/Business Case

The purpose of this Addendum is to add 5,175 square feet of office space to existing space for a revised total of 51,750 square feet for space offered under “first right of refusal” as provided for in the Lease previously approved by the Joint Capital Outlay Subcommittee and the State Administrative Board. This space is needed for a new program and new staff assigned to the Department of Community Health.

Benefit

The benefit of this Addendum is to acquire additional office space for a new division program, having adjacency needs to other existing MDCH programs.

Funding Source

100% Federal/Restricted Funds

Commitment Level

Nineteen years two months, with no renewal options; however, this Lease contains an Executive cancellation clause which means the Lease can be cancelled if an Executive determination is made either that the purpose for which the Lease was entered into no longer exists, or that sufficient funds do not exist for meeting the rental obligations of the occupying State agency or department or if space is provided in state government owned or managed facilities with 90-days notice.

Risk Assessment

Non-approval of this Addendum will hinder the Department from making changes to meet operational needs.

Zip Code
48913

27. DEPARTMENT OF COMMUNITY HEALTH, LANSING - Addendum #3 to Lease #11080 approved by the State Administrative Board on November 9, 2004, Item #38, between Boji Group of Lansing, L.L.C., a Limited Liability Company, 124 West Allegan, Lansing, Michigan 48933, as Lessor, and the State of Michigan for the Department of Community Health, as Lessee, for 78,500 square feet of space located at 201 Townsend Street, Lansing Michigan 48913. This Addendum provides for adding 5,601 square feet to the first floor for a total of 84,101 square feet of office space. The annual per square foot rental rate is \$23.19 (\$162,550.60 per month). This lease does include an annual mid-term rental rate increase of 2.5% for the first 8 years of the lease, and 3% increase per year through October 31, 2026. This Addendum becomes effective upon the last State approval and continues to the termination date of the lease, or any extension. This Lease contains an Executive cancellation clause with 90-days notice. The Attorney General has approved this lease as to legal form; this lease meets the criteria requiring approval of the Joint Capital Outlay Subcommittee of the Legislature. The Subcommittee approved this Lease on November 9, 2004.

Purpose/Business Case

The purpose of this Addendums is to add square footage to the first floor of the current building as offered under the current lease terms for any available space. The Department needs to relocate staff from another leased facility to join current like-kind staff at this location.

Benefit

This move will benefit the Department and will centrally locate the departmental agencies that work closely together. The Lessor has agreed to pay for all renovations and furniture to supply this space to the Department in move-in condition with no increase in the square foot rate.

Funding Source

50% General Fund; and 50% Federal Funds

Commitment Level

Nineteen years; however, this Lease contains an Executive cancellation clause which means the Lease can be cancelled if an Executive determination is made either that the purpose for which the Lease was entered into no longer exists, or that sufficient funds do not exist for meeting the rental obligations of the occupying State agency or department or if space is provided in state government owned or managed facilities with 90-days notice.

Risk Assessment

Non-approval of this Addendum will hinder the Department from relocating staff to a central location at no additional square foot cost to the Department for furniture or renovations, thereby saving money, along with foregoing a first right of refusal for adjacent space, which could increase security risk to staff.

Zip Code
48913

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Ms. MacDowell presented the Building Committee Report for the regular meeting of September 11, 2007. After review of the forgoing Building Committee Report, Ms. MacDowell moved that the Building Committee Report covering the regular meeting held September 11, 2007, be approved and adopted. The motion was supported by Mr. Herzig and unanimously approved.

APPROVED

September 11, 2007

Michigan State
Administrative Board

COMMITTEE REPORT TO THE STATE ADMINISTRATIVE BOARD

The Honorable Jennifer M. Granholm, Governor
and
Members of the State Administrative Board

A regular meeting of the Transportation and Natural Resources
Committee was held at 10:55 a.m. on September 11, 2007. Those present
being:

Chairperson:	<u>Joseph Pavona, representing</u> Secretary of State Land	Approved _____
Member:	<u>Walt Herzig, representing</u> Lt. Governor Cherry	Approved _____
Member:	<u>Patrick F. Isom, representing</u> Attorney General Cox	Approved _____
Others:	Iris Lopez, Michael Reilly, Department of Attorney General; Kristi Broessel, Department of Community Health; Jean Shane, Department of Education; Diana Quintero, Department of Information Technology; Sherry Bond, James Burris, Elise Lancaster, Craig Orr, Janet Rouse, Mike Van Setters, Department of Management and Budget; Kris Squibb, Department of Natural Resources; Joe Pavona, Department of State; Mike Blackledge, Rick Dolan, Betsy Steudle, Department of Transportation; Mary G. MacDowell, Department of Treasury; Kelly Keenan, Governor's Office; Ron Boji, Boji Group	

There was no Department of Natural Resources agenda presented.

There was no Department of Environmental Quality agenda presented.

The Department of Transportation regular agenda was presented.

Following discussion, Mr. Isom moved that the Transportation regular agenda be recommended to the State Administrative Board for approval. Supported by Mr. Herzig, the motion was unanimously adopted.

Mr. Pavona adjourned the meeting.

AGENDA

DEPARTMENT OF TRANSPORTATION

TRANSPORTATION and NATURAL RESOURCES COMMITTEE STATE ADMINISTRATIVE BOARD

T&NR Meeting: September 11, 2007– Forum
1st Floor, Michigan Library and Historical Center, 10:55 AM
State Administrative Board Meeting: September 11, 2007 – Forum
1st Floor, Michigan Library and Historical Center, 11:00 AM

This agenda is for general informational purposes only. At its discretion, the Transportation and Natural Resources Committee may revise this agenda and may take up other issues at the meeting. Approval of items on this agenda authorizing expenditures in the fiscal year beginning on October 1, 2007, and ending on September 30, 2008, are contingent upon the enactment of appropriations for the fiscal year beginning on October 1, 2007, and ending on September 30, 2008.

CONTRACTS

1. AERONAUTICS AND FREIGHT (Aeronautics) - Reconstruction of Airport Improvements
Contract (2007-0795) between MDOT and Romeo Airport Management, LLC, will provide federal and state grant funds for the reconstruction of the administration area and the terminal apron at the Romeo State Airport in Romeo, Michigan. This is a sub-grant issued pursuant to the conditions of the block grant given to MDOT by the Federal Aviation Administration (FAA). The contract will be in effect from the date of award through twenty years to comply with an FAA regulation that requires airports receiving federal funding for certain types of projects to remain fully operational for a period of twenty years. The airport sponsor will have from the date of award through three years to complete the project. The estimated project amount will be \$830,000. Source of Funds: FAA Funds (via block grant) - \$664,000; State Bond Funds - \$145,250; Romeo Airport Management, LLC, Funds - \$20,750.

Criticality: This project is one phase of a multi-phase project to improve the terminal area. Work under this phase will bring the terminal area up to federal standards. Construction of a terminal building is planned for this fall and winter. The final phase, which is for paving, is planned for next spring. This project cannot be deferred until a later State Administrative Board agenda because this work must be completed now in order to keep the project on schedule.

Purpose/Business Case: To provide for the reconstruction of the administration area and the terminal apron.

Benefit: Will bring the terminal area up to federal standards and provide for the replacement of the deteriorated building area and pavement section. All of the terminal area development will be situated halfway between the ends of the runway for better access and visibility.

Funding Source: 80% FAA Funds; 17.5% State Bond Funds; 2.5% Romeo Airport Management, LLC, Funds.

Commitment Level: The contract is for a fixed cost.

Risk Assessment: If the contract is not approved, the project may not proceed as planned, as the local sponsor cannot afford the cost without federal and state participation.

Cost Reduction: The construction was bid through MDOT and awarded to the lowest bidder. There were eight bidders.

Selection: N/A.

New Project Identification: This is for the reconstruction of existing facilities.

Zip Code: 48096.

2. HIGHWAYS - IDS Engineering Services

Authorization Revision (Z33/R1) under Contract (2006-0155) between MDOT and Wilcox Professional Services, LLC, will provide for the performance of additional geotechnical engineering services and will increase the authorization amount by \$60,612.72. The additional services will include the reconstruction of a railroad structure on US-2 north of Escanaba in Delta County. The original authorization provides for construction of a three span bridge to support mainline US-2/US-41 and M-35 road traffic over the Escanaba River, Wells Township, Delta County (CS 21022 - JN 79021D). The authorization term remains unchanged, August 13, 2007, through February 23, 2009. The revised authorization amount will be \$156,034.76. The contract term is February 24, 2006, through February 23, 2009. Source of Funds: 80% Federal Highway Administration Funds and 20% State Restricted Trunkline Funds.

Criticality: Poor elements on this structure could result in unsafe conditions. If the railroad structure is not replaced now, falling concrete could injure travelers beneath it and lead to closure of the structure. There is an active contract with URS Corporation Great Lakes for the structural design portion of the bridge, and the geotechnical investigation must be complete before URS Corporation Great Lakes can complete its design. The geotechnical investigation and design work must be completed by early November 2007, or the project letting will be delayed. Approval of this revision is critical at this time to provide sufficient time for the geotechnical investigation and design work to be completed by November 2007. Also, because the project is in the Upper Peninsula of Michigan, poor weather conditions could adversely affect the time for the geotechnical investigation.

Purpose/Business Case: To provide for the reconstruction of a railroad structure in poor condition on US-2 north of Escanaba in Delta County. The intent of this project is to eliminate unsafe conditions by upgrading the structure to meet current design and geometric standards. Replacing this structure will enhance the safety of all traveling on the railway above and on the roadway beneath.

Benefit: This project will enhance the safety of those traveling on or beneath this structure.

Funding Source: 80% Federal Highway Administration Funds and 20% State Restricted Trunkline Funds.

Commitment Level: The hourly costs are fixed; however, the number of hours to perform this work has been estimated.

Risk Assessment: Poor elements on this structure could result in functional failure if the structure is not replaced now.

Cost Reduction: Costs in professional services contracts are based on an actual cost plus fixed fee basis not to exceed the contract maximum amount. Hours are negotiated based on needed service.

Selection: N/A for revision; qualifications-based for original authorization.

New Project Identification: This is not a new project.

Zip Code: 49894.

3. *HIGHWAYS – Design Consultant Services

Contract (2007-0633) between MDOT and URS Corporation Great Lakes will provide for the performance of design services for the full depth concrete reconstruction of the existing two lanes of I-196 and the reconstruction of Coit Avenue and Lafayette Avenue and for the performance of bridge design studies for the Diamond Avenue and Eastern Avenue structures in Kent County (CS 41027 – JN 75547C, 51883D, and 51884D). The work items include full depth removal of the existing pavement structure and replacement with pavement, aggregate base, subbase, subbase under-drain, concrete median barrier, curb and gutter removal and replacement, retaining walls, permanent signal plans and staging signal plans, maintaining traffic signing, new storm sewer, storm sewer rehabilitation, freeway lighting, grading, and all associated restoration items. The contract will be in effect from the date of award through February 4, 2010. The contract amount will be \$1,371,240.12. Source of Funds: 89.13% Federal Highway Administration Funds and 10.87% State Restricted Trunkline Funds.

Criticality: This project is critical due to its size and complexity. Coordination with local agencies and stake holders will be necessary, and survey requirements for this project must be fulfilled in a timely manner prior to winter weather.

Purpose/Business Case: To provide for the performance of design services for the full depth concrete reconstruction of the existing two lanes of the I-196 and the reconstruction of Coit Avenue and Lafayette Avenue and for the performance of bridge design studies for the Diamond Avenue and Eastern Avenue structures in Kent County.

Benefit: Will help to reduce congestion, decrease user delays, and increase the safety of the route.

Funding Source: 89.13% Federal Highway Administration Funds and 10.87% State Restricted Trunkline Funds.

Commitment Level: The hourly costs are fixed; however, the number of hours to perform this work has been estimated.

Risk Assessment: If this contract is not approved, user delays could increase due to roadway congestion, which could lead to safety issues.

Cost Reduction: Costs in professional services contracts are based on an actual cost plus fixed fee basis not to exceed the contract maximum amount. Hours are negotiated based on needed service.

Selection: Qualifications-based.

New Project Identification: This is a new project.

Zip Code: 49503.

4. *HIGHWAYS - Design Consultant Services

Contract (2007-0781) between MDOT and URS Corporation Great Lakes will provide for the performance of design services for the reconstruction of four structures on I-75 near the Huron River in Wayne and Monroe Counties (CSs 82191, 58152 - JNs 79767D, 89498D). The work items include the replacement of three structures, the lengthening of the fourth structure, and the associated approach work. This work must be performed due to the shift in alignment of northbound I-75. The shift is necessary because of the increase in median shoulder widths along northbound and southbound I-75. The current left-hand M-85 on-ramp will be changed to a conventional right-hand on-ramp. The contract will be in effect from the date of award through May 31, 2008. The contract amount will be \$1,059,337.22. Source of Funds: 83.52% Federal Highway Administration Funds and 16.48% State Restricted Trunkline Funds.

Criticality: Due to the recent letting of the Gateway Project on I-75 near the Ambassador Bridge, I-75 will be completely closed to through traffic starting in the spring of 2008. During this closure, I-75 through traffic will be detoured off I-75 and onto I-275 to I-94 and I-696. Because of this detour and other work in the region that has been consolidated, traffic volumes on I-75 will be decreased in 2008, making it the opportune time to construct this project. Coordinating this work with the Gateway Project and the other work on I-75 will result in decreased user delays and improved regional mobility. To achieve regional mobility goals and reduce traffic impacts by coordinating the maintaining traffic, it is necessary to expedite the design of this project to allow for a December 2007 plan completion and a March 2008 letting. As a result, this contract cannot be deferred until a later State Administrative Board agenda.

Purpose/Business Case: To provide for the performance of design services for the reconstruction of three structures, the lengthening of the fourth structure, and the associated approach work. This work must be performed due to the shift in alignment of northbound I-75. The shift is necessary because of the increase in median shoulder widths along northbound and southbound I-75. The current left-hand M-85 on-ramp will be changed to a conventional right-hand on-ramp. The shifting of the alignment means that the three structures will now be in conflict with the proposed shoulders and need to be rebuilt in the proper locations. Changing the ramp configuration requires the lengthening of the fourth structure to allow the realignment of the ramp.

Benefit: Will provide for safer conditions with full shoulder widths on the heavily traveled northbound and southbound I-75 freeway and improved geometrics on the M-85 ramp.

Funding Source: 83.52% Federal Highway Administration Fund and 16.48% State Restricted Trunkline Funds.

Commitment Level: The hourly costs are fixed; however, the number of hours to perform this work has been estimated.

Risk Assessment: Not performing this work at this time would result in increased user delays, decreased regional mobility, and more costly traffic control.

Cost Reduction: Cost in professional services contracts are based on an actual cost plus fixed fee basis not to exceed the contract maximum amount. Hours are negotiated based on needed services.

Selection: Qualifications-based.

New Project Identification: This is not a new project.

Zip Code: 48173.

STATE PROJECTS

5.	LETTING OF AUGUST 03, 2007	ENG. EST.	LOW BID
	PROPOSAL 0708081	\$ 27,809.64	\$ 25,255.20
	PROJECT MER 73021-79774		
	LOCAL AGRMT.		% OVER/UNDER EST.
	START DATE - 10 days after award		
	COMPLETION DATE - OCTOBER 26, 2007		-9.19 %

Emergency scour countermeasures and maintaining traffic on
on M-57 over the east branch of Griffus Creek, west of
Chesaning, Saginaw County.

BIDDER	AS-SUBMITTED	AS-CHECKED	
Tri-Valley Landscaping, Inc.	\$ 25,255.20	Same	1 **
McDowell Construction , L.L.C.	\$ 27,007.68	Same	2
Champagne and Marx Excavating, Inc.	\$ 29,355.68	Same	3
Geiersbach Construction, Inc.	\$ 35,881.60	Same	4
L.W. Lamb, Inc.			
Heystek Contracting Inc.			
Midwest Bridge Company			
Bourdow Trucking Company			
Fisher Contracting Company			
Rohde Brothers Excavating, Inc.			
Perrin Construction Co., Inc.			
Novak Nurseries, Inc.			

4 Bidders

Purpose/Business Case: MDOT's Bridge Preservation Program goal is to have 95% of freeway bridges and 85% of non-freeway bridges under MDOT's jurisdiction in good condition by 2007. The Program focuses on repairing the worst bridges first and extending the life of bridges to keep them in good condition.

Benefit: MDOT attempts to maximize benefits by using an asset management philosophy that develops programs that are prioritized projects based on such factors as traffic volume, cost/benefit, ride quality, safety, user savings, maintenance savings, and condition of bridges.

Funding Source:

79774A

State Restricted Trunkline Funds	100	%
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Commitment Level: The contract cost is not fixed. It is based on the engineer's best estimate of probable construction cost. The contract's final cost will be based on actual quantities built in the field and unit prices bid by the contractor.

Risk Assessment: The deterioration of the existing State trunkline bridges, reduced safety, and increased vehicle maintenance and operational costs to the motoring public.

Cost Reduction: Reduced roadway maintenance costs.

Selection: Low bid.

New Project Identification: Rehabilitation.

Zip Code: 48616.

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|----|-------------------------------------|-----------------|----------------------|
| 6. | LETTING OF SEPTEMBER 07, 2007 | ENG. EST. | LOW BID |
| | PROPOSAL 0709058 | \$ 1,097,104.60 | \$ 917,472.79 |
| | PROJECT EDA 63900-101017 | | |
| | LOCAL AGRMT. | | % OVER/UNDER EST. |
| | START DATE - 3 days after award | | |
| | COMPLETION DATE - NOVEMBER 14, 2007 | | -16.37 % |

BIDDER

Ajax Paving Industries, Inc.

Cadillac Asphalt, LLC.	\$	969,738.87	2
B & V Construction, Inc.	\$	1,027,993.60	3
Dan's Excavating, Inc.	\$	1,029,051.78	4
DeAngelis Landscape, Inc.	\$	1,039,390.00	5
C & D Hughes, Inc.	\$	1,049,121.56	6
Six-S, Inc.	\$	1,062,518.02	7
Zito Construction Co.	\$	1,094,310.79	8
South Hill Construction Company, Inc.			
L.A. Construction Corporation			
Angelo Iafrate Construction Company			
Fonson, Inc.			

Criticality: This construction project will create or retain jobs within the State of Michigan. Delaying the project would adversely impact employment in the State. This construction project is adding improvements to the existing roadway system, thereby increasing the safety of the roadway, improving access to tourists visiting Michigan, and/or improving commerce across the State. Delaying the project will adversely impact these necessary components of Michigan's economy, as well as to the traveling public.

Currently, Beck Road is two lanes from I-96 to West Road in the City of Wixom. Along this section of Beck Road, there are numerous driveways and roads that access light industrial complexes and office facilities. During peak periods, the current road is heavily congested. Since there is not a left turn lane available, left turning vehicles queue in the through lane which stops the flow of traffic on Beck Road causing additional delay to the motorists and a less safe driving environment. With the expected commercial and industrial growth in the area, motorist delay will increase, as will the possibility of rear-end collisions if the road is left as a two lane cross section. This project will create a left-turn lane from I-96 to West Road, allowing the left-turning vehicles to queue in the turn lane instead of queuing in the through lane. The project will result in a reduction in motorist delay and improved safety.

Benefit: The construction of this project will provide safer and improved traffic flow. The initial maintenance costs will be reduced within the project limits. There should be a significant economic benefit to the area with the safer and improved traffic flow.

Funding Source:

101017A

State Restricted Trunkline Funds

100 %

Commitment Level: The contract cost is not fixed. It is based on the engineer's best estimate of probable construction cost. The contract's final cost will be based on actual quantities built in the field and unit prices bid by the contractor.

Risk Assessment: The relationships with the communities and businesses in the Wixom and Novi metropolitan areas may be compromised. They are anticipating the completion of this project as announced to support the economy of the area.

Cost Reduction: With the reconstruction of this infrastructure, initial maintenance costs will be greatly reduced within the project limits. Our customers will benefit with a greatly reduced user delay costs and related safety improvements.

Selection: Low bid.

New Project Identification: Reconstruction.

Zip Code: 48393.

7.	LETTING OF SEPTEMBER 07, 2007 PROPOSAL 0709068 PROJECT STT 13062-87358 LOCAL AGRMT. START DATE - 10 days after award COMPLETION DATE - OCTOBER 19, 2007	ENG. EST. \$ 624,735.32 % OVER/UNDER EST. -21.55 %	LOW BID \$ 490,109.70
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2.68 mi of one course hot mix asphalt overlay on M-96 (Michigan Avenue) from west of 13 Mile Road easterly to west of 15 Mile Road, Calhoun County. This project includes a 3 year pavement performance warranty.

This is a 2007 highway preventive maintenance project.

5.00 % DBE participation required

BIDDER	AS-SUBMITTED
Aggregate Industries-Central Region	\$ 490,109.70 1 **
Michigan Paving & Materials Co.	\$ 502,761.20 2
Rieth-Riley Construction Co., Inc.	\$ 557,301.45 3

3 Bidders

Criticality: This construction project will create or retain jobs within the State of Michigan. Delaying the project would adversely impact employment in the State. This construction project is adding improvements to the existing roadway system, thereby increasing the safety of the roadway, improving access to tourists visiting Michigan, and/or improving commerce across the State. Delaying the project will adversely impact these necessary components of Michigan's economy, as well as to the traveling public. Delays to the project would jeopardize federal funds that are allocated to the State of Michigan.

Purpose/Business Case: The Capital Preventive Maintenance Program preserves the structural integrity and extends the service life of the State trunkline system through a planned strategy of cost-effective maintenance treatments to the existing roadway system.

Benefit: These treatments delay future deterioration, and maintain or improve the functional condition of the system resulting in longer pavement surface life, thereby delaying the need for more expensive rehabilitation or reconstruction treatments.

Funding Source:

87358A	
Federal Highway Administration Funds	81.85 %
State Restricted Trunkline Funds	18.15 %

Commitment Level: The contract cost is not fixed. It is based on the engineer's best estimate of probable construction cost. The contract's final cost will be based on actual quantities built in the field and unit prices bid by the contractor.

Risk Assessment: There is a greater risk of injury/accidents due to existing surface conditions.

Cost Reduction: Lower vehicle maintenance costs.

Selection: Low bid.

New Project Identification: Maintenance.

Zip Code: 49068.

LOCAL PROJECTS

8. LETTING OF SEPTEMBER 07, 2007	ENG. EST.	LOW BID
PROPOSAL 0709010	\$ 836,100.00	\$ 646,697.97
PROJECT STL 41401-90228		
LOCAL AGRMT. 07-5442		% OVER/UNDER EST.
START DATE - 10 days after award		
COMPLETION DATE - JUNE 15, 2008		-22.65 %

2.63 mi of hot mix asphalt surfacing including crushing and shaping, asphalt emulsion full depth reclamation, cold milling, guardrail and permanent pavement markings on Cannonsburg Road from Chauncey Drive easterly to Myers Lake Avenue, Kent County.

3.00 % DBE participation required

BIDDER	AS-SUBMITTED	
Michigan Paving & Materials Co.	\$ 646,697.97	1 **
Rieth-Riley Construction Co., Inc.	\$ 696,059.21	2
Aggregate Industries-Central Region	\$ 744,620.45	3

3 Bidders

By association with the above construction contract we are also asking for approval of the above-referenced cost participation agreement.

Criticality: This construction project will create or retain jobs within the State of Michigan. Delaying the project would adversely impact employment in the State. This construction project is adding improvements to the existing roadway system, thereby increasing the safety of the roadway, improving access to businesses and to tourists visiting Michigan's communities, and/or improving commerce across the State. Delaying the project will adversely impact these necessary components of Michigan's economy, as well as to the traveling public. Delays to the project would jeopardize federal funds that are allocated to the State of Michigan.

Purpose/Business Case: This project is for the reconstruction of a portion of highway on the federal-aid highway system, under local jurisdiction. It was selected through a process outlined in the Safe, Accountable, Flexible, and Efficient Transportation Act: A Legacy for Users, by the applicable Metropolitan Planning Organization (urban areas) or Rural Task Force (rural areas), and was approved by MDOT and the Federal Highway Administration.

Benefit: By awarding this project, the federal-aid highway system is further preserved providing increased economic value and quality of life for the traveling public.

Funding Source:

90228A

Federal Highway Administration Funds	80.00 %
State Restricted Trunkline Funds	20.00 %

Commitment Level: The contract cost is not fixed. It is based on the engineer's best estimate of probable construction cost. The contract's final cost will be based on actual quantities built in the field and unit prices bid by the contractor.

Risk Assessment: If this project is not awarded, the federal funds must be returned to the federal government for use in another federal-aid project.

Cost Reduction: This is a construction contract. The low bidder is awarded the project. Any negotiation prior to award of this contract, whether implicit or explicit, violates federal regulations and Section 107.01 of the 2003 Michigan Department of Transportation Standard Specifications for Construction.

New Project Identification: Road reconstruction.

Selection: Low bid.

Zip Code: 49341.

In accordance with MDOT's policies and procedures and subject to concurrence by the Federal Highway Administration, the preparation and award of the appropriate documents approved by the Attorney General, and compliance with all legal and fiscal requirements, the Director recommends for approval by the State Administrative Board the items on this agenda.

The approval by the State Administrative Board of these contracts does not constitute the award of same. The award of contracts shall be made at the discretion of the Director-Department of Transportation when the aforementioned requirements have been met. Subject to exercise of that discretion, I approve the contracts described in this agenda and authorize their award by the responsible management staff of MDOT to the extent authorized by, and in accordance with, the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of October 31, 2006.

Respectfully submitted,

Authorized Signature on File
September 10, 2007

Kirk T. Steudle
Director

Mr. Pavona presented the Transportation and Natural Resources Committee Report for the regular meeting of September 11, 2007. After review of the forgoing Transportation and Natural Resources Committee Report, Mr. Pavona moved that the Transportation and Natural Resources Committee Report covering the regular meeting held September 11, 2007, be approved and adopted. The motion was supported by Ms. MacDowell and unanimously approved.

8. MOTIONS AND RESOLUTIONS:

NONE

9. ADJOURNMENT:

Mr. Pavona moved to adjourn the meeting. The motion was supported by Ms. MacDowell and unanimously approved. Mr. Keenan adjourned the meeting.

SECRETARY

CHAIRPERSON